App. F. IX-4

1939.
(Dec)

File No. 104-39

Serial Nos. 3 & 5

Previous References
Dec 104-37-9, 12-14
104-39-1-2
104-37-1-5

Later References.
Dec 104-39-6-7
" " 942
" " 58-59

P

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GENERAL AND REVENUE SECRETARIAT.

Serial Nos. three

Part B for Dec 39

SUBJECT.

Reconstruction of the Singapore Tramway on joint stock basis

8(5) No D 2838 dated 1.12.39

To the Dc of Dec

WD 0578—GPB—22,500—12-9-39

Conveys the approval of Govt

Formation of the Mysore Chrome Tanning Co. Ltd

General and Revenue Secretariat. File No. 104 of 1935. [App. F. III-2

Serial No.	
3	From the Dir. I&C No. AH/38.35 dt 20.ca.35. Sos, for appl, the draft of Prospectus of the Mysore Chrome Tanning Co. Ltd. and recommends that, as explained in detail, the application of the Board of directors for the reduction of the minimum subscription for allotment from 80 to 70% may be accepted. In pursuance of Govt. No. D. 9505-15/38 dt 10-4-38-15 dt 20-6-38 sanctioning the flotation of a new joint stock company under Govt. auspices for taking over and working the old Mysore Tannery, the Board of Directors have now proposed to incorporate the Mysore Chrome Tanning Co. with an authorised Capital of Rs. 5 lakhs of which Rs 4 lakhs are to be issued for subscription. Of the 40,000 shares of Rs 10/- each, to be issued, Govt. and the Board of Directors are to own 4000 and 2000 shares respectively. In para 5(b) of the G.O. of 20-6-38, it has been laid down that the Board shall not proceed to allotment unless 80% of the Issued Capital is subscribed by the Public. This condition was imposed with a view to see that there is a balance of subscription over and

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NOTE-Contd. Sheet.

Formation of the Mysore Chrome Tanning Co:-

DC File No. (04 of 1935 | General and Revenue Secretariat.

Serial No.

above the cost and the Dirs shares, were fully secured from the Public.

The Board of Dirs have found the minimum of 90% too high especially in view of the fact that only a sum of 2 lakhs would be necessary immediately for the purchase and running of the Tannery. They therefore recommend that the minimum subscription for allotment may be fixed at 70% the Issued Capital and the Dirs support this. According to this suggestion, the Public subscription will be for only 22,000 Rupees as against 32,000 contemplated in the Co. sanctioning the scheme. In view of the tightness of the Share market the suggestion of the Board may perhaps be accepted and the Draft Prospectus which seems to be all right in all other respects, approved.

2) Issued for orders. Sd - Keys may also be consulted

Keys 24/10.

- Dw by)

3) 26/10/35.

4) 26/10

26/10

(Approved

I member)

C.O.No.Fl. 2 8. OCT. 1935 BANGALORE.

Serial No.

5) I have no objection to the minimum number of shares for allotment being fixed at 70% instead of 80% now fixed. It should however be made quite clear again that Government subscription will be limited to a maximum of 4,000 shares of the total value of Rs. 40,000,. as already laid down in Government Order No. D. 9505-15 I.&C. 104-37-13 dated 23rd/24th June 1938, and that further financial assistance should not be expected in any form.

6) Past experience has indicated that even in the case of more promising concerns floated under the auspices of Government, the shares thrown open to the public were not fully taken up, and Government were forced to finance these concerns in some form or other (taking up additional shares or permitting the concerns to raise loans from a Bank with the guarantee of Government). This ~~concern~~ industry had a very bad history in the past, and the present condition in the money market is less favourable than in the past, for floating new concerns, on account of the disturbed world conditions. I feel therefore very doubtful whether the concern will really be able to get response from the public for even the 22,000 shares of the value of Rs. 2,20,000, which is reported to be necessary for commencing the operations immediately. The possibility of raising at least 22,000 shares from the public within a

NOTE-Contn. Sheet.

P.T.O.

reasonable period has again to be considered, in order that Government may not be put to extra financial burden in any form. Under present financial conditions of Government, it is necessary to conserve the limited cash resources of the state to the maximum extent possible.

7) I put up herewith the further reference received from the Director of Industries and Commerce, furnishing certain information called for by me. The Director anticipates that the concern will be remunerative on the basis of the present high prices of hides and skins, on account of the world war. How long these high prices will continue is problematical. From page 2 of the note sent with the Director's letter dated 4th November 1939, it will be seen that chemicals required for chrome tanning will have to be imported from abroad. The prices of these chemicals have either gone up already or will rise shortly, and I do not know whether we have also to contemplate possible rationing of such materials in future under existing War conditions. Thus the increase in the realisations may be off-set by increased expenditure on account of raw materials. The estimates of capital cost, operation expenses and realisations require detailed examination by Government in the Administrative Department, with special reference to past

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1187 Formation of the Mysore Chrome Tanning Co. 5

General and Revenue Secretariat. File No. 104 of 1939 [App. F. III-2

Serial No.

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experiences in the case of other concerns floated in the past (under more favourable conditions).

A.S. 17.11.39

& There is, of course, an element of risk in all industrial undertakings. But without taking an unduly optimistic view, the Director has come to the conclusion that this is a good commercial proposition. And the Provincial Directors, some of whom possess practical experience of the tanning business and the leather trade, endorse his opinion. In these circumstances, the proposals of the Director may be approved and he may be authorised to take further steps in the matter to float the company

Dewan) 22/11/39

I agree with the Fin. Member.

22-11-39

23/11/39

24/11

Draft reply noted

24/11

11 For favour of perusal of the orders

25/11

Fin Sec) 13 A.S. 27.11.39 Regr. 27/11/39 Secy 27/11/39

File No. 117 of 19 .

General and Revenue Secretariat

Serial No.

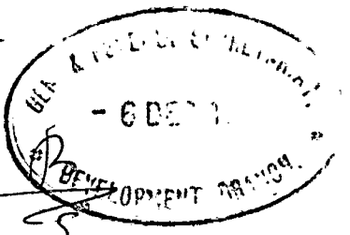
To The Dir - Sec.

No. 2838 of 30/11/35

Conveys approval to the draft Prospectus of the proposed Chemical Co Ltd. prepared by Prov. Board of Directors. & requests him to take further action to float the Co

Copy to the Comptr

No. D. 2835 of 30/11/35



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4/12

Tele { Phone No. 2004
Grams—INDUSCOM.

In reply please quote number, date & short title

9tc 104-39-3

SECRETARIAT * 21. OCT. 1939 * GOVT. OF MYSORE

GEN. & REVENUE SECRETARIAT * 21 OCT. 1939 * DEVELOPMENT BRANCH.

GOVERNMENT OF MYSORE

DEPARTMENT OF INDUSTRIES AND COMMERCE.

FROM (Name) M.S.Ramchendra Rao,Esq.,B.A.,
(Designation) Director of Industries and Commerce in Mysore,
Station Camp:Mysore.

To

P.H.Krishna Rao,Esq.,M.A.,
Secretary to the Government of Mysore,
Development Department,
Camp:Mysore.

No. A1.38-39.
Enclosures Three

Dated 20th October 1939.

SIR,

Subject: Reconstruction of the Mysore Tannery on joint-stock basis.

With reference to correspondence ending with your letter No.1168 dated 24th August 1939,on the above subject, I have the honour to report,for the information of Government, that the Official Liquidator of the Bangalore Bank,Ltd.(in liquidation) having communicated his acceptance of the offer of Rs 80,000/- for the entire assets of the old Mysore Tannery,made by me, on behalf of the new joint-stock company to be floated, I convened on the 14th October 1939 a meeting of the provisional Board of Directors constituted in G.O.No.D.9505-15/I & C.104-37-13 dated 24th June 1938, to consider and decide the lines on which further action should be taken to float a company to take over the old Mysore Tannery and reconstruct it anew with a view to placing the chrome-tanning industry on a sound basis. Drafts of Prospectus and Memorandum of Association were also prepared and placed before the Board for consideration.

2. The Board, after reviewing recent development in the Leather trade consequent on the outbreak of war, decided that the proposed new company may be floated with an authorised capital of

of Rs 5,00,000 divided into 50,000 shares of Rs 10/- each and an issued capital of Rs 4,00,000 divided into 40,000 shares of Rs 10/- each Rs 2/8/0 to be collected on application, a similar sum on allotment and the balance in two calls of Rs 2/8/0 per share at intervals of not less than two months between each call.

3. The Board was of the opinion that a sum of Rs 2,00,000 would be required at once to start operations, of which Rs 80,000 will be utilised for payment to the Bangalore Bank,Ltd. towards the purchase price of the old Tannery, about Rs 20,000/- for reconditioning the plant,machinery,etc. and the balance of Rs 1,00,000 /- for working capital. The remaining capital of Rs 2,00,000 is proposed to be collected, from time to time, according to requirements.

4. Out of the 40,000 shares proposed to be issued, 10% or 4,000 shares have been promised by Government and about 2,000 shares by the Directors,for the present, though it is likely that some of the Directors will take more shares. The remaining shares amounting roughly to 34,000 are proposed to be issued to the public.

5. As regards the minimum number of shares required to be collected to proceed to allotment, Government have directed in their Order quoted above that the Company should not proceed to allotment unless 80% of the capital is subscribed including the sum promised by them. The Board considered that 80% was rather on the high side in view of the fact that the capital immediately required to start operations was only about Rs 2,00,000. They therefore decided that it would be better to reduce it to 70%,according to which the total number of shares to be subscribed to proceed to allotment will be 28,000 shares,out of which 4,000 and 2,000 shares have been respectively promised by the Government and the Directors. The remaining 22,000 shares will have to be collected from the public. The amount of money that could thus be expected on the 28,000 shares on application and allotment at Rs 2/8/0 each would be Rs 1,40,000/- which, with the first call money proposed to be called up (Rs 2/8/0 per share) would bring the total money to Rs 2,10,000/-. This will

will be sufficient to start operations immediately as indicated above. The percentage of minimum subscription has therefore been shown in the Prospectus at 70% instead of 80%.

6. In regard to the opening and closing dates of the subscription list, the Board considered that while the date of opening the list may be mentioned in the Prospectus, it was not advisable to specify the closing date as, in the event of the required number of shares not forthcoming from the public within the specified time, the company would be placed in an embarrassing position. In order to avoid such a contingency, the Board considered that it would be safter to say that the list would be closed "without notice on such subsequent date and hour as the Directors may decide". This has accordingly been inserted in the Prospectus.

7. Details of working costs and financial results of working were considered at length by the Board. An estimate based on the working of the old Mysore Tannery during 1936-37 (Aug.1936 to end of April 1937) with necessary adjustments in view of the prsent rise in the prices of some of the raw materials, such as, chemicals, Hides and skins etc. was prepared and placed before the Board at the meeting. The Board considered that the following working costs and return might be adopted for purposes of prospectus:

Manufacturing cost for 8,333 Hides or 1,50,000 Sq.ft. per month.	Rs 62,500/-
Sale realisations ...	Rs 69,000/-
Profit per month on working ...	Rs 6,500 or Rs 78,000 per year.

Return on the capital investment of Rs 4,00,000 : 19.5%.

8. I have scrutinised these figures again and am of the opinion that for purposes of Prospectus, it would be safer to show a more modest return and I have accordingly further revised the costing and arrived at a return of 12%. Details as regards the actual cost incurred by the old Mysore Tannery when it was working

working in 1936-37, estimate of cost as considered reasonably safe by the Directors at the meeting on the 14th Oct.1939 and the costing as further revised by me are furnished in the attached statement.

9. As regards selling price, the present average for all the six grades of black tans produced by the Calcutta Tanneries,Ltd. is about 0-7-9 per sq.ft. or Rs 8-11-6 per hide whereas the figure adopted by the Board is Rs 8-4-6 per hide. I have assumed only Rs 8/2/0 as the selling price per hide in the estimates.

10. It will be seen from the details furnished above and in the attached statement of cost that there are reasonable chances for working the new Tanneery successfully. It should be possible to get a return of not less than 12% on the capital invested by working the Tannery in an economical and efficient manner. The resources available in Bangalore and the ready demand for the finished goods render the proposed undertaking a good commercial proposition.

11. I submit herewith the Draft Prospectus and Memorandum of Association of the proposed Chrome Tanning Co.,Ltd. as generally approved by the Board,to be issued to the public and request you kindly to communicate to me the approval of Government to the same, at an early date, to enable me to proceed further in the matter.

I have the honour to be,
Sir,
Your most obedient servant,

M Sivaraman

DIRECTOR.

SRS.3

A copy of this Prospectus has been filed with the Registrars of Joint Stock Companies in Mysore, the Civil and Military Station, Bangalore and also in Madras as required under Section 277 A (1) (a) (1) of the Indian Companies Act.

The subscription list will be opened on ... 1939 and closed without notice on such subsequent date and hour as the Directors may decide.

PROSPECTUS
of
THE MYSORE CHROME TANNING CO.,LTD.,
BANGALORE.

(Registered Office:BANGALORE).

(Incorporated under the Mysore Companies Act XVIII of 1938).

AUTHORISED CAPITAL ... ... Rs 5,00,000

Divided into 50,000 shares of Rs 10/- each.

ISSUED CAPITAL ... ... Rs 4,00,000

Divided into 40,000 shares of 10/- each.

Rs 2/0 on application)
Rs 2/0 on allotment) per share
and the balance in calls of Rs 2/8 per share at intervals of not less than two months between each call.

Out of the above, the Government of Mysore have agreed to take up 4,000 shares. The Directors of the Company have agreed to take 2,000 shares and the balance of 30,000 shares is offered to the public.

34,000

DIRECTORS.

1. The Director of Industries and Commerce in Mysore, Bangalore. (Government Director & Chairman)

2. Capt. Rao Saheb A.Thangavelu Mudaliar,Merchant, Director,The Bangalore Woollen,Cotton and Silk Mills Co.,Ltd.,Bangalore, "The Mansion", Spencer Road,Bangalore. (Government Director).

3. Diwan Bahadur V.Shanmuga Mudaliar, South Indian Export Co.,Ltd., Greenfield,"Kilpauk", Madras.

4. Mr.Modi Abdul Gafoor Sahib, Hides and Skins Merchant, No. 3,Tannery Rd., Bangalore.

5. Mr.P.Hanumanthiah,Hides and Skins Merchant, 331,Old Poor House Road, Bangalore.

6. Mr.T.B.Borajanna, Hides and Skins Merchant, 10,Spencer Road, Bangalore.

(contd.)

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7. Mr.P.Subbarama Chetty, M.L.C., Director, The Mysore Paper Mills,Ltd., The Mysore Spun Silk Mills,Ltd., Chickpet,Bangalore.

8. Mr. V.Perumalswami Naidu, B.Com. A.C.R.A., Municipal Commissioner, "Rama Vilas",Castle Street, Bangalore.

9. Mr.F.M.Xavier, B.A.,LL.B., Advocate, Lady Curzon Road, Bangalore.

BANKERS.

The Imperial Bank of India, Bangalore and other Branches.

The Bank of Mysore,Ltd. Bangalore and other Branches .

AUDITORS.

GENERAL MANAGER.

SECRETARY.

REGISTERED OFFICE.

BANGALORE.

(continued next page).

PROSPECTUS.

1. The Mysore Tannery was started as a Limited Liability Company in the year 1903 in Bangalore City, for the purpose of chrome tanning of cow hides. This was the first Tannery established in India and it successfully worked for a long time after it was started. As work developed the Tannery also manufactured not only black box sides but rolled skins and glace kids. The company passed through various vicissitudes and the industry suffered for want of adequate working capital. In the year 1934 the Bangalore Bank, Ltd., Bangalore, acquired the ownership of the concern and effected several improvements both in the manufacturing aspects and in the marketing activities. By means of such improvements and additions in machinery, the manufacturing capacity of the Mysore Tannery was raised from 1,00,000 sq.ft. to 3,00,000 sq. feet of finished leather per month. The Bangalore Bank found it difficult to own and run an industrial concern like the Mysore Tannery on account of statutory and financial difficulties. The Bank therefore approached the Government of Mysore with a scheme for converting the Mysore Tannery into a public limited company under Government auspices on a joint-stock basis.

2. The scheme has been investigated by Government in all its bearings and with particular reference to the prospects of the industry, the present valuation of the fixed assets of the concern and the conditions under which Government might assist in the formation of the proposed new company. Government considered that as the chrome tanning industry had established itself at Bangalore and had so long been in existence and afforded occupation to a large labour population, the industry should not be allowed to languish. Government were accordingly pleased to direct in their Order No. D.9505-15/I & C.104-37-13 dated 23rd/24th July 1938, the flotation of a public limited liability company on joint stock basis under Government auspices for taking over the Mysore Tannery, Bangalore, and placing it on a sound working basis.

3 With a view to assist the successful organisation and working of the new Tannery, Government have been generously pleased to subscribe 10 per cent of the issued capital of the Company subject to a maximum of Rs 40,000/- provided that the issued shares are fully subscribed by the public, and subject to the following conditions:-

(a) that two out of the nine Directors of the Company will be nominated by the Government, one of whom will be the Chairman of the Company,

(b) that the appointment of the General Manager and the Secretary of the Company will be made by the Board of Directors with the approval of Government,

(c) that Government reserves the right to get the accounts of the Company audited and inspected by their officers at their own cost and

(d) that the Company will not proceed to allotment unless 70 per cent of the capital is subscribed including the sum promised by Government.

4. Subsequent to the issue of the Government Order referred to above sanctioning the floatation of a Limited Liability Company, the Bangalore Bank, Ltd. went into liquidation. The Official Liquidator of the Bank appointed by the Court, C & M Station, Bangalore, has accepted the offer of Rs 80,000/- made by the Chairman, for and on behalf of the Provisional Board of Directors of the new Company to be floated, for the entire capital assets of the Tannery including land, buildings, machinery and spares. The price now

now accepted by the Official Liquidator should be considered as very reasonable having regard to the fact that the Experts' valuation of these assets of the Company varied from - Rs 1,51,000 to Rs 1,87,000 and that the new company will have the advantage of taking over a fully equipped and up-to-date concern.

5. The Mysore Tannery is situated just outside the Municipal Limits of Bangalore having a site covering nearly 9 acres with factory buildings, labour quarters and latest machinery and equipment. It has an initial advantage of good supply of cheap, efficient and trained labour with an expert staff. The climate of Bangalore is especially suited for tanning operations. The temperature is fairly low throughout the year rendering loss of hides substance in hides very low and making leather of full feel and tight grain, an advantage not possessed by most of the tanneries in other parts of India. Added to the above, Mysore State has excellent arrangements for supply of electric power in abundance at cheap rates. Plenty of raw material is available in Bangalore itself and additional quantities required could easily be procured from other parts of India. The articles produced by the Tannery have established for themselves a standing reputation in the United Kingdom.

6. The demand for chrome leather in India is very great and the existing number of tanneries cannot cope with the demand. Moreover there is a well established export trade from India of chrome-tanned leather to the United Kingdom, South Africa, Mesapotomia, Iran, Cyprus and Burma. Moreover, the outbreak of war recently in the West has given a fillip to this industry and the export of tanned hides and skins has, during the past few weeks, been very great. The proposed company has the unique advantage of having a fully equipped factory ready to start work at short notice without having to import any machinery or equipment paying heavy "war price" .

7. Out of the proposed issued capital of Rs 4,00,000/- a sum of Rs 80,000 will be required to buy the assets of the old Mysore Tannery and a further sum of Rs 20,000 may be required to effect improvements or alterations in the Factory and the balance of Rs 3,00,000 will be utilised as working capital.

8. It is estimated that keeping the production at an average of 1,50,000 sq.ft. of finished leather per month in the beginning, a profit of at least Rs 59,000/- ~~or Rs 60,000/-~~ per year could be expected to be realised, thus giving a return of 19 per cent per annum on the capital outlay.

9. An Agreement will be entered into between the Official Liquidator of the Bangalore Bank,Ltd. on the one hand and the Directors of the Proposed Company on the other for the out-right purchase of the total capital assets of the Mysore Tannery for a sum of Rs 80,000/-. As a result of this, the new concern will have nothing to do with the Bangaloro Bank,Ltd. or the old Mysore Tannery and will entirely be a new and distinct concern.

10. The qualification of a Director other than Ex-officio Directors shall be the holding in his own right 250 shares of the value of Rs 2,500/- . The remuneration of each Director shall be Rs 20/- per each Board meeting attended by him plus actual travelling ~~nikka~~ expense.

11. None of the Directors has any interest in the formation and promotion of the Company.

12. The preliminary expenses of the Company are estimated at Rs 5,000/- excluding the brokerage.

[illegible] by the officials depending on the qualified
[illegible] having to [illegible] that the necessary
[illegible] of these assets of the company will have the
[illegible] over a fully adjusted and up-to-date
[illegible].

8. [illegible] is situated just outside the municipal
limits of [illegible] site owing chiefly nearly 3 acres plus
[illegible] building, labour [illegible] machinery and
equipment. At [illegible] of [illegible] of these, the
officials and [illegible] engineer state. [illegible]
[illegible] of [illegible] is especially suited for [illegible] operation.
[illegible] is fairly [illegible] the year round. [illegible]
[illegible] is adequate in under dry low [illegible] but
[illegible] the [illegible] wells, an [illegible] not possessed by most of the
[illegible] in other parts of India. Under [illegible] above,
[illegible] is an excellent [illegible] supply of electric power in
abundance at cheap rates. Plenty of raw material is available
in [illegible] and [illegible] quantities are used for [illegible]
[illegible] be produced from this source of India. The position
[illegible] by the [illegible] stand for themselves regarding
[illegible] in the [illegible].

9. [illegible] [illegible] in India is very [illegible] and the
existing number of [illegible] quite adequate for the
[illegible] there is a [illegible] export trade from [illegible] of
[illegible], [illegible] and Burma. Moreover, the [illegible]
[illegible], [illegible] and Burma. Moreover, the [illegible]
of the [illegible] in the [illegible] to this [illegible]
[illegible] of [illegible] and Burma, namely the [illegible]
[illegible], [illegible]. We [illegible] consider that the [illegible]
[illegible] [illegible] [illegible] to [illegible] any [illegible] or
[illegible] [illegible].

7. Cost of the proposed [illegible] of Rs 6,00,000/- a sum
of Rs 30,000 will be required for the [illegible] of the old [illegible]
[illegible] and [illegible] Rs 2,00,000 may be required [illegible]
Rs 3,00,000 will be [illegible] [illegible].
[illegible] of the [illegible] of the [illegible] of the [illegible]
[illegible] of [illegible] [illegible] [illegible] per annum on the capital
[illegible].

8. It is proposed [illegible] [illegible] at a rate of
1,50,000 sq.ft. of [illegible] [illegible] in the [illegible],
a profit of at least Rs 60,000/- [illegible] per year could be
expected to be realised, thus giving a return of 4% per cent
per annum on the capital outlay.

9. [illegible] [illegible] be [illegible] into between the official [illegible]
dates of the [illegible] on the one hand and the Directors
of the proposed [illegible] on the other for the [illegible] of
the total capital [illegible], of the [illegible] amounting to a sum of
Rs 30,000/-. As a result of this, the new concern will have no [illegible]
to do with the Bangalore Bank, or the old Mysore Bank and
will entirely be a new and distinct concern.

10. The qualification of a Director other than [illegible]
value of Rs 2,500/-. The remuneration of each Director will be
Rs 50/- per each Board Meeting attended by him plus actual [illegible]
[illegible] as.

11. None of the Directors has any interest in the formation of
the company.

12. The preliminary [illegible] of the company are [illegible]
Rs 1,000/- excluding the [illegible].

13. A brokerage of two annas per share will be allowed to Banks or recognised brokers on all applications for shares submitted by them and underwriting commission of 2½% for blocks of not less than Rs 50,000 .

14. The minimum subscription on which the Directors can proceed to allotment is 70 per cent of the issued capital.

A copy of the Memorandum of Association is attached to the Prospectus and forms part of it.

15. Every share-holder shall have one vote in respect of each block of five shares held by him subject to a maximum of 20 votes irrespective of the total number of shares held.

16. Application for shares should be made in the form accompanying this Prospectus and sent to the Registered office of the Company at Bangalore. Where no allotment is made, the deposit will be returned in full and where the number of shares allotted is less than the number of shares applied for, the balance of the deposit will be applied towards the payment of the allotment money.

Copies of the Prospectus and forms of application can be had at the following places:

1. Registered office of the Company, Bangalore,
2. The Imperial Bank of India and its branches
3. The Bank of Mysore, Ltd. and its Branches.

SRS) 15-10-1939.

M Krishnaswamy

Dr of Industries

[illegible]

[illegible]

[illegible]

MEMORANDUM OF ASSOCIATION OF THE MYSORE CHROME TANNING COMPANY,LTD.

I. The name of the Company is "The Mysore Chrome Tanning Co.,Ltd."

II. The Registered Office of the Company will be situated in the Mysore State.

III. The objects for which the Company is established are all or any of the following:-

(1) To acquire and take over as a going concern now known under the name and style of the 'Mysore Tannery" by and owned by the Bangalore Bank,Ltd.

(2) To carry on in Mysore State or elsewhere the business or the businesses of leather dressers,curriers, Tanners, Merchants, Factors,Makers, Exporters, Importers, dealers (both whole-sale and retail) of and in leather hides, skins, boots, shoes, furs and Horns, offals,glue and any article or thing manufactured or made either wholly or partly of leather or any substitute for leather . And of and in all machinery, apparatus, tools, goods, rubber, materials, and things usually made,sold,used, or dealt in connection with the currying, tanning and boot and shoe trade or capable of being used in or in connection with the currying,tanning, making of manufacture of leather, leather goods, materials, and boots and shoes or otherwise) which may seem to the Company capable of being conveniently carried on in connection with the above or calculated directly or indirectly to enhance the value of or render more profitable any of the company's property.

(4) To buy, sell,stock,manufacture, repair, alter,hire, transport,trade and deal in chemicals, implements, tools and such other kinds of articles that may be useful to the industry.

(5) To carry on any other business whether manufacturing or otherwise which may seem to the Company capable of being carried on conveniently in connection with the above or calculated directly or indirectly to enhance the value of or render more profitable any part of the company's properties or rights.

(6) To search for, to purchase or otherwise acquire from the Government of Mysore or any other authority, public or private and licenses, concessions, contracts, grants, decrees, rights etc. capable of being turned to account and in particular any rights or concessions either for purposes of obtaining motive power or otherwise and to work,develop, carry out, exercise and turn into account the same.

(7) To enter into any arrangements with, to purchase and obtain and grant lease or contracts from the Government of Mysore or other Governments in India or outside, any Municipality or local authority, Banking Institutions, Associations etc. for carrying on the business of the Company.

(8) To acquire and deal with the following:-

i). The business, property and the liabilities of any company, firm or person carrying on any business within the objects of the company,

ii) lands,buildings, casements, rights and privileges, machinery, plant, and other real or personal property and effects whatsoever whether in the State of Mysore or elsewhere which may be deemed suitable for the company's business,

iii) patents,patent rights, inventions, processes, devices, trade-marks, formulae and other rights,

8. iv. Shares or stocks or securities in any company the acquisition of which may promote or advance the interests of the Company.

9. To perform or do all or any of the following:

i. To sell, improve, manage, let,develop,dispose of, exchange, mortgage, turn to account or otherwise deal with the whole or any part of the lands, properties or rights of the company,

ii. To enter into any partnership or into arrangement with persons specially skilled in such business for carrying on business of the company and sharing profits, union of interests, reciprocal concession or co-operation with any such person or persons whether with or without any other fixed remuneration.

iii To enter into arrangements for joint working in business or firm carrying on business within the object of the company,

iv. To pay the costs, charges and expenses of the promotion and the establishment of the company,

v. To erect buildings, plants and machinery for the purpose of the company,

vi. To conduct experiments in connection with any business of the company by letters of Patent or otherwise,

vii. To erect buildings, plants and machinery for the purposes of the company,

viii. To draw,accept, and negotiate bills of exchange, promisory Notes and other negotiable instruments,

ix. To underwrite the shares,stock or serucities of any other company and pay under-writing commission and brokerage on any share,stock or securities issued by the company,

x. To borrow, raise or secure the payment of money for any purposes of the company whether with or without security or secured by debentures, debenture stocks, (perpetual or otherwise), mortgage or other security charged on the undertaking of all or any of the assets of the company including uncalled capital,

xi. To invest and deal with the moneys of the company, not immediately required, upon such securities and in such manner (other than in the shares of the company) as may from time to time be determined by the Directors.

xii. To lend moneys to such parties and on such terms as may seem expedient and in particular, to customers of and persons having dealing with the company and to guarantee the performace of contracts by members of or persons with the company,

xiv. To promote companies,

xv. To promote research and improvement in all branches of the business by rewards, bonuses, stipends for special training or for studying markets or methods, or for any other purpose tending to further the interest of the company,

xvi. To provide for the welfare of persons employed or previously employed and wives,widows and families of such persons by grants of money or other aid or otherwise as the company shall think fit,

xvii. To subscribe to or otherwise aid benevolent charitable, national or other institutions or objects of a public character which have any moral or other claims to support or aid by the company by reason of the locality of its operations or otherwise and to make donations to such persons and in such cases as may seem expedient.

xviii. To distribute any specific assets of the company against its members.

10. To do all or any of the things herein-before authorised either alone or in conjunction with or as factors, trustees or agents for others or through factors, trustees or agents.

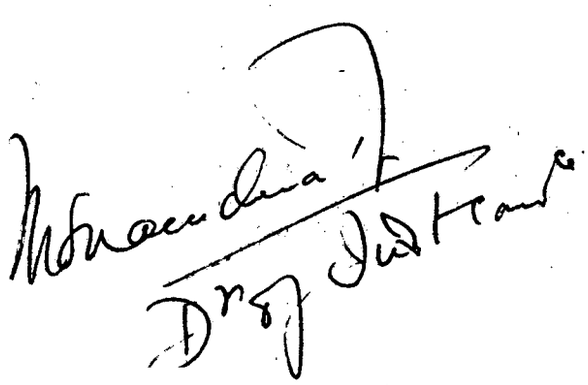
11. To do such other things as are incidental and conducive to the attainment of the above objects or any of them.

IV. The liability of the members is limited.

V. The share capital of the Company is Rs 5,00,000 divided into 50,000 shares of the value of Rs 10/- each with power for the company to increase or reduce the said capital and to issue any part of its capital original or increased with or without any preference, priority or any special privilege or subject to any postponement of rights or any conditions or restrictions and that unless the conditions of issue shall otherwise expressly declare, every issue of shares, whether declared to be preference or otherwise shall be subject to the power herein-before contained.

We, the several persons, whose names and addresses are subscribed below are desirous of being formed into a company in pursuance of this Memorandum of Association and we respectively agree to take the number of shares in the capital of the company set opposite our respective names.

No.	Name and address and description of subscribers.	No. of shares taken by each subscriber.	Witness to the signature.



BRS. 15-10-1939.

No.	Name and address of subscription agent here.	No. of shares taken by each subscriber.	Items to the eight here.

agree to make the number of shares in this column of the company each opposite our respective names.

subscribed below are desirous of taking shares in the company in pursuance of this agreement and we hereby agree to accept the

9. The several persons whose names and addresses are

make application to the Registrar for registration as a company under the provisions of this Act, and that we will accept such shares respectively.

every issue of shares, to exhaust the preference or ordinary shares the conditions of issue shall otherwise specially declare, and that proportionment of rights or any conditions or restrictions which may attach to any preference, priority or any special ranking or subject to any part of its capital originally or increased with an identical any the company to increase or reduce it's said capital and to issue into 50,000 shares of the value of £1 10/- each with power to

V. The share capital of the company is £1,000,000 divided

IV. The liability of the members is limited.

11. To do such other things as are incidental or conducive to the attainment of the above objects or any of them.

10. To do all or any of the things hereinbefore authorised either alone or in conjunction with or as agent, trustee or otherwise for others or through trustees, agents or otherwise.

VIII. To distribute in specie any property of the company among the members.

and to issue fully paid shares and to pay or allow such commission, brokerage or other lawful remuneration in connection therewith as may be thought expedient by the Board of Directors and may lawfully be given by the company.

VII. To procure the company to be registered or recognised in any foreign country or place.

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GEN. & REV. SECRETARIAT. 8 NOV. 1939 FINANCIAL BRANCH.

Tels.—"INDUSCOM."

DEPARTMENT OF INDUSTRIES AND COMMERCE.

Mr. M. S. Ramchendra Rao, B.A.,
Director.

OFFICE OF THE DIRECTOR,

D.O. No. A1-38-39/Encl. 5

Bangalore, dated the 4th Nov. *193* 9

Dear Mr. Raghavachar,

Subject: The Mysore Chrome Tanning Co., Ltd. (Proposed).

As desired by you I am sending attached statements of exports of Hides and Skins, (raw, finished and unmanufactured) from British India and Mysore together with their values etc. I am also enclosing my replies to the various points on which you desired information in connection with the flotation of the above company.

Yours sincerely,
M Ramchendra Rao

A. N. Raghavachar, Esq., M.A.,
Financial Secretary to the
Government of Mysore,
Bangalore.

The Mysore Chrome Tanning Co.,Ltd.
(proposed)

Points on which information has been called for by the Financial Secretary.	Replies furnished.
1. Exports of tanned hides and skins from British India from 1931-32 to 1938-39.	Statement attached - 'A'
2. -do- from Mysore.	-do-
3. Import duty on leather manufacture imported into India.	25% Revenue Duty ad valorem.
4. Total demand in India for tanned hides and skins.	There are about 170 tanneries in India. Accurate statistics of production in India and home market for hides and skins are not available, but they are roughly estimated by experts in the year 1930 based on the cattle census and that of goat and sheep, according to ~~which~~ this it is estimated that the production of hides varies from 12 to 30 millions pieces whereas in the case of skins the production is estimated at 26 million pieces a year. It is estimated that about ≅ 50% to 75% of the production of hides is consumed by the indigenous tanneries while in the case of skins the proportion consumed by the Indian tanning industry both organised and of the cottage type is much smaller. Chrome leather is used in the manufacture of superior boots and shoes and other goods. There is a good foreign market for this as also a home market as there are a large number of leather factories in India manufacturing superior

superior leather goods to cater to the refined and even fastidious tastes of people.

The old Mysore Tannery, it is ascertained, had no trouble in regard to speedy disposal of its goods. As a matter of fact the Mysore Tannery has built up a very good reputation in the English Market.

The tables of exports of Hides and skins raw aand dressed and un-manufactured both from British India as well as Mysore bears out clearly that there is good demand for them.

5. Total demand in India for substitutes.

This does not come directly in competition with superior leather goods. Only cheap rubber goods are in the market which does not find favour with people of taste. Where durability and fine finish are concerned, it is only the superior leather goods that are purchased but not rubber goods. The leather market is not therefore affected by substitutes.

6. Has the Tannery to depend entirely on foreign market or is there an established market in India.

As stated in answer to point 4, there are both foreign and local markets for the Hides and Skins to be produced by the proposed Tannery. Chemicals required for Chrome tanning however will have to be imported from abroad.

7. Chances of profitably working the Tannery in normal times or demand for the products of the proposed Tannery other than war demands.

The foreign countries to which Indian Hides and Skins, (raw, finished, ~~etc.~~) are exported are United Kingdom, Italy, Austria, Germany etc. The appended statements show that during the years 1931-32 to 1938-39 there have been large exports both of raw and dressed leather and it may be expected that the exports will rise in the coming years

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coming years owing to war conditions and even after war the exports may be expected to remain at the level obtaining during the past five to eight years.

On the whole it would appear that there will be no difficulty to find a ready market for the products of the proposed Tannery.

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Director of
Industries and Commerce.

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23.

EXPORT OF HIDES AND SKINS FROM BRITISH INDIA TO FOREIGN COUNTRIES.
(BY SEA)

Year	Hides raw. Quantity. Tons.	Hides raw. value. Rs (000).	Skins raw. Quantity. Tons.	Skins raw. Value. Rs (000).	Hides tanned. Quantity. Tons.	Hides tanned. Value. Rs (000).	Skins tanned. Quantiy. Tons.	Skins tanned. Value. Rs (000)	Leather unwrought. Quantity. Tons.	Leather unwrought. Value. Rs (000)
1931-32.	16,272	89,08 .	15,613.	2,58,19 .	9,542	19,341	15,694	51,238.	3,914	9,79
1932-33.	13,002	60,67 .	12,152	1,78,66 .	8,302.	1,46,55.	14,402	45,120	5,136	8,29
1933-34.	19,813.	98,91	18,183	2,76,66 .	12,160.	21,961	19,594	54,910	8,993	15,39
1934-35.	22,109.	1,07,21	13,873	1,80,73	10,324	17,538	17,820	51,479	12,128	21,95
1935-36.	22,155	1,08,77	20,108,	2,78,32	12,950	20,625	20,173	51,441	17,760	34,82
1936-37.	23,897	1,30,99	17,985	2,78,13.	16,312	2,81,55.	25,260	66,925	26,384	53,74.
1937-38	21,158	1,52,48	20,190	3,41,27	15,095	2,75,77	8,587	36,959	32,331	73,93
1938-39	15,109	1,00,05	20,055	2,80,81	13,481	1,96,22	6,810	27,932	24,554	45,62
1-4-39 to 30-9-39	6,142	3,99,45	9,582	1,45,63	11,698	1,56,12	4,031	15,285	11,239	27,27

Director
of Industries and Commerce
in Mysore, Bangalore.

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S/4.11.37

Statement showing the exports of Hides and skins from Mysore (by rail) for a period of 8 years from 1931-32 to 1938-39.

Year.	Hides raw		Skins raw		Hides tanned		Skins tanned		Leather unmanufactured.	
	Quantity Rv. mds.	Value Rs.	Quantity Rv. mds.	Value Rs.	Quantity Rv. mds	Value Rs	Quantity Rv. mds.	Value Rs.	Quantity Rv. mds	Value. Rs.
1931-32	9,315	97,932	60,030	17,90,018	2	168	1,048	2,20,080	81,589	89,74,790
1932-33	5,772	56,772	73,676	16,28,623	128	10,752	330	69,300	73,102	80,41,220
1933-34	9,231	121,231	73,563	19,88,473	399	23,940	13	1,950	76,097	39,57,044
1934-35	13,786	120,864	82,001	20,20,689	510	32;449	11	2,017	69,784	34,89,200
1935-36	15,754	165,384	81,691	19,90,887	15	655	1	117	50,823	17,78,805
1936-37	12,399	203,892	85,292	26,78,217	70	3, 452	118	16,242	10,509	3,15,270
1937-38	4,340	59,403	77,900	27,26,500	95	4,655	334	32,565	30,379	9,11,370
1938-39	4,589	62,812	67,746	23,72,110	298	29,055	299	29,153	78,419	23,52,570

Bangalore,

Dated 3rd November '39.

DIRECTOR
of Industries and Commerce.

RJV 3)

5/4.11.39

Statement showing ~~the rates~~ prices per lb. of Bark Tanned Hides and Skins from April 1938 to March 1939.

	Buffalo Hides (Heavy, Medium, Light).			Buffalo Skins			Cow Hides (Heavy, Medium, light).			Cow Skins Skins			Goat Skins.			Sheep Skins.		
	Rs	a	p	Rs	a	p	Rs	a	p	Rs	a	p	Rs	a	p.	Rs	a	.p.
April '38.	0-	7-	6.	0-	9-	3.	0-	8-	9.	0-	14-	6.	1-	4-	6.	1-	3-	0.
May '38.	0-	8-	3.	0-	9-	0.	0-	8-	11.	0-	14-	6.	1-	4-	0.	1-	0-	6.
June '38.	0-	8-	1.	0-	9-	3.	0-	8-	9.	0-	15-	6.	1-	3-	6.	1-	0-	6
July '38.	0-	7-	3.	0-	9-	4.	0-	8-	9.	0-	15-	6.	1-	4-	6.	1-	5-	0.
Aug. '38.	0-	7-	3.	0-	10-	3.	0-	9-	10.	1-	3-	6.	1-	3-	0.	1-	5-	6.
Sept. '38.	0-	7-	5.	0-	10-	0.	0-	9-	2.	0-	13-	0.	1-	6-	0.	1-	9-	0.
Oct. '38.	0-	7-	5.	0-	10-	0.	0-	9-	3.	0-	13-	6.	1-	6-	0.	1-	9-	6.
Nov. '38.	0-	7-	5.	0-	10-	3.	0-	10-	0.	1-	3-	3.	1-	7-	3.	1-	3-	6.
Dec. '38.	0-	7-	10.	0-	10-	9.	0-	10-	6.	1-	3-	6.	1-	8-	6.	1-	5-	9.
Jan. '39.	0-	7-	10	0-	10-	9.	0-	10-	6.	1-	3-	6.	1-	8-	6.	1-	5-	9.
Feb. '39.	0-	8-	0.	0-	10-	3.	0-	10-	2.	1-	2-	4.	1-	7-	6.	1-	5-	6.
March '39.	0-	8-	3.	0-	10-	0.	0-	9-	6.	1-	2-	3.	1-	8-	6.	1-	4-	6.

Director of
Industries and Commerce.

SRS)3-11-1939.

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4.11.39

STATEMENT SHOWING ~~THE RATES~~ PRICES PER LB OF HIDES AND SKINS AS PER LONDON QUOTATION FROM APRIL 1938 to OCTOBER '39

Months.	Bombay best tannage, hides and small average wt. 4 to 7 lbs.		Bombay best tannage, hides, heavy average wt.8 to 9½ lbs.		Tanned goat skins, Bombay first good tannage 12-16 lbs.		Tanned sheep skins, Bombay first good tannage 8-10 lbs.	
	Sh.	d.	Sh.	d.	Sh.	d.	Sh.	d.
April 1938	1	3½	1	1	2	10½	2	7
May "	1	3½	1	1	2	10½	2	7
June "	1	3½	1	1	2	5½	2	2½
July "	1	3½	1	1	2	3½	2	2½
August "	1	3½	1	1	2	3½	2	2½
September '38	1	2½	1	1	2	3½	2	2½
October 1938	1	3½	1	0	2	3½	2	5
November "	1	3½	1	1	2	4	2	6½
December "	1	3½	1	2 (one)	2	4	2	6½
January 1939	1	3½	1	1	2	4	2	6½
February "	1	4	1	1	2	11½	2	7½
March "	1	4	1	1	2	11½	2	7½
April "	1	4	1	1	3	1	2	6½
May "	1	4½	1	1	3	1	2	6½
June "	1	4½	1	1	3	1	2	4
July "	1	5	1	1	3	1	2	4
August "	1	1	1	1	2	9¼	2	4
September "	1	1	1	1	2	9½	2	4
October "	1	6	1	1	2	9½	2	4

Bangalore,

Dated 3rd November '39.

DIRECTOR
of Industries and Commerce.

RJV 3)

4.11.39

GOVERNMENT OF HIS HIGHNESS THE MAHARAJA OF MYSORE

General and Revenue Secretariat

No. D2838
12c 104-39-5

Dated, Bangalore, 30th Novr. 1939.

From

The Secretary to the Government of His Highness the Maharaja of Mysore,
Development Department.

To

The Director of Industries and Commerce in Mysore,

Bangalore.

Sir,

Subject:- Reconstruction of the Mysore Tannery on Joint Stock basis.

With reference to correspondence ending with your letter No.A1/38-39 dated 4th November 1939, on the above subject, I am directed to convey the approval of Government to the draft Prospectus and the Memorandum of Articles of Association of the proposed Mysore Chrome Tanning Company Ltd., prepared by the Provisional Board of Directors of the Company and to request ~~xxxx~~ you to take further steps to float the Company.

I have the honour to be,
Sir,
Your most obedient servant,

Sd. P.H. Krishna Rao,
Secretary to Government,
Development Department.

K.M.R.3.

Memo No. D2839 Dated, 30th Novr. 1939.
1Dec

Copy of the above, is forwarded, with compliments, to the Comptroller to Government, with a copy of the Prospectus.

By Order,

For Secretary to Government,
Development Department.

K.M.R.2.

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Appendix F G—1]

SUBJECT.....

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Section D2C
File No. 104-39
Serial No. 5

Diary No. of letter replied to.....

No. D2838

To

The Dir - D2C.

General and Revenue Secretariat

( )

the *193* .

Sir,

Subj: Reconstruction of the Nagpur Tanneries on joint stock basis.

Date of issue..... 1st Dec 35

Signed by..... Mr Gowrinath

With reference to correspondence ending with your letter No A1/38/39. dated 4-11-39 on the above subject, I am directed to convey the approval of Govt to the draft Prospectus and the memorandum & Articles of Association of the Nagpur Chrome Tanning Co. Ltd. as prepared by the Provisional Board of Directors of the Co and to request that you to take further steps to float the Company.

I have etc.

List of enclosures.....

Copied by.....

Examined by.....

D2839 ack

for Secretary

WD 0563—GPB—30,000—6-1-39

Copy to the Comptr with a copy of the Prospectus for Secy

Rs 24/11